## REMARKS

This application contains claims 1-39. Claims 1, 14 and 27 are hereby amended. No new matter has been introduced. Reconsideration is respectfully requested.

Applicant thanks Examiner Backer for the courtesy of a personal interview with Applicant's representative, Sanford T. Colb (Reg. No. 26,856), held in the USPTO on June 15, 2006. At the interview, Mr. Colb presented a draft amendment to claim 1 and argued the patentability of the amended claim over Ginter et al. (U.S. Patent Application Publication 2005/0177716). The Examiner agreed that the proposed amendment would distinguish the present invention over Ginter.

Claims 1-39 were rejected under 35 U.S.C. 102(e) over Ginter et al. (US 2005/0177716). Applicant has amended independent claims 1, 14 and 27, as agreed in the interview, in order to clarify the distinction of the present invention over the cited art.

Ginter describes a "virtual distribution environment" for electronic content (paragraph 0011). One aspect of this environment is a "Rights Operating System (ROS)," which is illustrated in Fig. 10. This ROS includes a file system and user API. Operation of these elements is described in paragraphs 0654-0681. The file system may contain "VDE objects." In other parts of the disclosure, Ginter describes at length how VDE objects may be used in collecting and transferring payment. It is clear, however, that the payment mechanisms are carried out by and through these special VDE objects and are not connected to the file system.

In contrast to Ginter and other payment-for-content schemes known in the art, claim 1 recites a method in which

payment is integrally tied into the file system. The amended claim clarifies that prices are recorded as a part of the file system metadata (as stated in paragraph 0030 of the published version of the present patent application, US 2005/0021471). In other words, users are charged directly in response to the file system APIs, with reference to the metadata, for use of specific file system resources. (Examples of resources whose use may be charged in this manner include mount, open, read and write operations on files, directories, and storage volumes, as recited in claims 2 and 9.) Integration of billing directly into the file system APIs and metadata provides a novel tool for the file system owner that is not suggested by Ginter or other prior art references.

Thus, claim 1, as amended, is believed to be patentable over the cited art. In view of the patentability of claim 1, dependent claims 2-13 are also believed to be patentable.

Claims 14-39 recite apparatus and computer software products that operate on principles similar to the methods of claims 1-13. As noted above, independent claims 14 and 27 have been amended in like manner to claim 1. Therefore, claims 14-39 are believed to be patentable for the reasons explained above.

Applicant has studied the additional references made of record by the Examiner and believes all the claims in the present patent application to be patentable over these references, whether taken individually or in any combination.

Applicant believes the amendments and remarks presented hereinabove to be fully responsive to all of the grounds of rejection raised by the Examiner. In view of these amendments and remarks, Applicant respectfully submits that

all of the claims in the present application are in order for allowance. Notice to this effect is hereby requested.

Please charge any fees associated with this paper to deposit account No. 09-0468.

Respectfully submitted,

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